

Paid Lunch Equity (PLE) Pricing Tool Instructions

Note: The PLE Tool is located in the sheets labeled “Paid Lunch Equity Tool” and “Non-Federal Source Contribution” and are accessed by using the tabs, below.

Mac users may find these sheets to appear locked; data, however, may still be entered in the fields used for calculations.

The PLE Pricing Tool was created to help SFAs calculate their new paid lunch prices and non-Federal source contributions to meet the new requirements in Section 205 of the Healthy, Hunger-Free Kids Act of 2010.

This version of the tool is only applicable to School Year 2011-2012. The tool will be updated for future school years.

To use the tool, an SFA must collect all of its paid lunch prices and its total lunches served for each price for the entire 2010-2011 school year. SFAs must collect this data for October 2010 as well.

Current Lunch Price Calculator

To calculate the current average paid lunch price and new average paid lunch price requirement, an SFA must:

1. Enter each paid lunch price in the SFA (including all schools – elementary, middle, high, etc) for October 2010 in the **Paid Lunch Price** column.
2. Enter the paid lunch count for October 2010 associated with each paid meal price in the **Monthly # of Paid Lunches** column.

Based on these amounts, the tool will calculate the average paid lunch price for the school district and the new average price requirement.

The figure will appear in the **New Average Price Requirement** box. The Act allows for an optional 5 cent round down for the new average paid lunch price. The new average price requirement is shown both unrounded and rounded down to the nearest 5 cents.

Pricing Estimation Calculator

Once an SFA has calculated the new average paid lunch price requirement, they can use the tool to determine how they want to distribute the price increase within the SFA to reach the new average paid lunch price. To do this an SFA must:

1. Enter each paid lunch price in the SFA (including all schools – elementary, middle, high, etc) for the month of October from the prior year in the **Paid Lunch Prices** column.

2. Enter the paid lunch count for October associated with each paid meal price in the **Monthly # of Paid Lunches** column.
3. Change individual paid lunch prices until the average paid lunch price reaches the new average paid lunch price requirement. This amount will appear in the **Weighted Average Price** box.

SFAs will notice that there are many price combinations that can be used to reach the new average paid lunch price. SFAs have the flexibility to raise individual prices as they wish as long as the average price equals the new required level.

Non-Federal Source Contribution Calculation

The PLE Pricing Tool can also be used to calculate the amount of non-Federal source contribution is required if an SFA does not wish to raise paid lunch prices.

An SFA must collect all of its paid lunch prices and its total lunches served at each price for the entire 2010-2011 school year.

To calculate the non-Federal source contribution, a SFA must:

1. Enter each paid lunch price in the SFA (including all schools – elementary, middle, high, etc) for the entire 2010-2011 School Year in the **Paid Lunch Prices** column.
2. Enter the paid lunch count for the entire 2010-2011 School Year associated with each paid lunch price in the **Monthly # of Paid Lunches** column.

Based on these amounts, the tool will calculate the total amount of non-Federal source contribution the SFA must pay to be compliant with Section 205. This amount will appear in the **Annual Non-Federal Source Contribution** box.

Paid Lunch Equity Tool for SY 2011-12 ONLY

Current Weighted Average Price Calculator

Enter current prices and number of lunches sold at each price using October 2010 data.

	Monthly # of Paid Lunches	Paid Lunch Price	Monthly Revenue	Current Weighted Average Price
1.			\$ -	
2.			\$ -	
3.			\$ -	
4.			\$ -	
5.			\$ -	
6.			\$ -	
7.			\$ -	
8.			\$ -	
9.			\$ -	
10.			\$ -	
TOTAL	-		\$ -	\$ -

New Average Price Requirement (not rounded down to nearest 5 cents)	New Average Price Requirement (rounded down to nearest 5 cents)
\$ -	No change

Note: New Average Price calculations include mandatory 2% rate increase plus 1.14% inflation rate

Pricing Estimation Calculator

Below is a tool allowing users to manipulate prices to achieve the required new weighted average price.

	Monthly # of Paid Lunches	Paid Lunch Price	Weighted Average Price
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
TOTAL	-		\$ -

Note: This tool is created to allow the user to only enter the number of paid lunches and the related prices. If any other parts of the tool are modified, the user runs the risk of calculating an incorrect new average price. Users should not modify the tool's current functionality.

Non-Federal Source Contribution Calculator		
Enter the total paid lunch count (includes all prices) for SY 2010 - 2011.		
Annual # of Paid Lunches	New Weighted Average Price minus Current Weighted Average Price	Annual Non-Federal Source Contribution
	No increase	Non-Federal source contribution not needed

Note: Formula uses "rounded down" price in PLE tool.

Note: This tool is created to allow the user to only enter the annual number of paid lunches. If any other parts of the tool are modified, the user runs the risk of calculating an incorrect annual non-Federal source contribution. Users should not modify the tool's current functionality.